

**THE CALIFORNIA DEBT AND
INVESTMENT ADVISORY COMMISSION**

State Treasurer Phil Angelides, Chair

Presents

***Advanced Investment
Portfolio
Decision-Making
Workshop***

November 5, 2004

**San Francisco Bloomberg Offices
345 California St., Suite 3500
35th Floor Training Center
San Francisco, CA 94104**

**California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400
Sacramento, CA 95814**

FIRST CLASS

ADVANCED INVESTMENT WORKSHOP

ABOUT THE PROGRAM

This one-day workshop offered by the California Debt Investment Advisory Commission (CDIAC) is designed to provide public officials and their staff with an advanced understanding of managing public investment portfolios. The workshop addresses investment economics; the yield curve and its relation to the market; cash flow management and forecasting; matching investment goals and strategies with investment products; and establishing performance benchmarks. The workshop will conclude with a session on how callable securities can be used in today's market. The workshop will be held at the Bloomberg training facility in San Francisco, enabling attendees to develop model portfolios and forecast investment outcomes using Bloomberg terminals.

WHO SHOULD ATTEND

Public agency officials and their staff responsible for or involved in the investment of public funds should attend, including representatives of counties, cities, special districts, school and community college districts, redevelopment agencies, and elected officials. Officials with oversight responsibilities for public investments are especially encouraged to attend. It is recommended that registrants have prior experience in treasury management or have taken an introductory public investment course.

GENERAL INFORMATION

Registration is limited to public agency officials. No walk-in registrations will be accepted. Full refunds will be made to registered participants only if CDIAC cancels or postpones the program. Substitution of officials or staff from the same entity is permitted. No refunds will be honored after the **seminar registration deadline of October 22, 2004**. Please mail or fax in your registration form to CDIAC in advance as seating is limited.

WORKSHOP LOCATION

The workshop will be held at the San Francisco Bloomberg Offices at 345 California St., Suite 3500, 35th Floor Training Center, San Francisco, CA 94104.

ABOUT CDIAC

CDIAC provides information, education, and technical assistance on public debt issuance and investments to local public agencies and other public finance professionals. To carry out its responsibilities, CDIAC maintains a database of all public debt issued in California, conducts a continuing education program, publishes a monthly newsletter with debt issuance data and informative articles, and conducts research to develop reports, guidelines, and briefs on topical issues.

The California Debt and Investment Advisory Commission complies with the Americans with Disabilities Act (ADA). If you need additional information or assistance, please contact CDIAC at (916) 653-3269 or FAX (916) 654-7440.

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REGISTRATION FORM

To register, please complete this form and return it to the California Debt and Investment Advisory Commission. **Payment of the registration must be enclosed.** Registration is limited to public agency officials. This form may be photocopied for additional participants. **No walk-in registrations will be accepted.** No cancellations or refunds will be honored after the seminar registration deadline of **October 22, 2004**. Registrations will be accepted after October 22nd on a space available basis only.

Please complete one form for each participant. Type or print clearly.

Name _____

Title _____

Agency _____

Street _____

City _____ State _____ Zip Code _____

Telephone _____ FAX _____

E-Mail _____

REGISTRATION FEE: \$75

Enclosed is my check for: \$_____

Return to: Seminar Programs
California Debt and Investment Advisory Commission
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(916) 653-3269 FAX (916) 654-7440

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AGENDA

8:00 a.m. **Registration for all participants**
Complimentary Coffee and Pastries

8:30 a.m. **Seminar Welcome and Opening Remarks**
Lisa M. Harris, Executive Director
California Debt and Investment Advisory Commission

SESSION I

8:45 a.m. **Evaluating the Current Interest Rate Environment**
A representative from Bloomberg Services and a local government official will discuss current market conditions and their effects on interest rates changes. Topics include:

- Historical Trends
- Current economic/financial market conditions
- Business cycles
- Current interest rate expectations

*Ray Johnson, Fixed Income Applications Specialist,
Bloomberg Services*
*Dan Daly, Chief Investment Officer, City and County of
San Francisco*

9:45 a.m. **Break**

SESSION IV

2:00 p.m. **Managing Callable Securities**
In recent years, callable securities have gained greater acceptance among public fund investors, in part due to the growing sophistication of financial markets. Callable securities generally provide relatively higher returns as investors are “compensated” for the potential call risk they face. An investment advisor and a local government official will discuss the use of callable securities in a public fund investment portfolio. Topics include:

- Description of types of callable securities
- Factors affecting pricing and yield of callable securities
- Assessment of risk and rewards
- Valuing callable securities versus bullet securities

Victor E. Ume-Ukeje, Managing Director, U.S. Bancorp
Piper Jaffray Inc.
Bob Buyers, Treasury Manager, County of Monterey

3:00 p.m. **PROGRAM CONCLUSION AND EVALUATIONS**

Featured Speakers

Bill Blackwill, Sr. Vice President, Citigroup Global Markets, Inc. - Mr. Blackwill has been an institutional fixed income specialist for 15 years, the past 10 years at Salomon Smith Barney in Newport Beach (now known as Citigroup Global Markets, Inc.). Mr. Blackwill specializes in helping institutional fixed income investors meet their investment objectives for safety, liquidity and yield. In addition, Mr. Blackwill advises institutional investors in all fixed income and money market areas including: commercial paper, C.D.'s, B.A.'s, discount notes, money market preferred stocks, government securities, corporate bonds, mortgage backed securities, and municipal bonds.

SESSION II

10:00 a.m.

Managing Your Portfolio

A representative from Bloomberg Services and a state and local government official will discuss tools and products for managing a public investment portfolio. Topics include:

- Cash flow forecasting
- Analysis of economic factors/trends
- Evaluation of investment products
- Assessment of individual investment/portfolio performance

Bill Dowell, Treasury Program Manager, State Treasurer's Office

Ray Johnson, Fixed Income Applications Specialist,

Bloomberg Services

Joe Yew, Treasury Manager, City of Oakland

11:45 a.m.

LUNCHEON for all participants and speakers

SESSION III

12:30 p.m.

Investment Strategies

Two broker/dealers will provide information on investment strategies available to public agencies given the current economic environment and discuss the reasons certain strategies may result in more favorable outcomes with respect to safety, liquidity, and yield. Topics include:

- Comparing various investment portfolio structures
- Evaluating potential investment instruments
- Benchmarking/rebalancing investment portfolios

Bill Blackwill, Senior Vice President, Citigroup Global Markets, Inc.

Tony Garcia, Vice President, Wells Fargo Institutional

Securities, LLC

1:45 p.m.

Break

Bob Buyers, Treasury Manager, County of Monterey - As Treasury Manager, Mr. Buyer manages a fixed income portfolio of approximately \$350 million dollars. Mr. Buyers is a fixed income securities professional whose career spans 27 years. Mr. Buyers served in the U.S. Navy before joining A. G. Becker's money market division in 1976. Since 1981 he has specialized in the U.S. Treasury and Agency markets, first as West Coast manager for Briggs, Schaedle & Co., and subsequently at L. F. Rothschild and Pacific Securities. He co-founded Golden Gate Securities in 1991, an institutional broker-dealer where he served as Managing Partner until its sale in 2000.

Dan Daly, Chief Investment Officer, City and County of San Francisco - Mr. Daly is the chief Investment officer for the city and county of San Francisco and manages a portfolio of approximately \$2.1 billion dollars.

Bill Dowell, Treasury Program Manager, Investment Division of the California State Treasurer's Office - Mr. Dowell works as a securities trader and the lead credit analyst for the State Treasurer's Office. He has experience in a wide array of investments held in the State's Pooled Money Investment Account (PMIA). In addition to actively trading treasury securities and corporate bonds, he has been integral to the growth of the Treasurer's Time Deposit Program, worked to create a steady supply of Small Business Administration pools and has helped with the acquisition of Community Reinvestment Act Mortgages in California's low-to-moderate income neighborhoods. Mr. Dowell joined the State Treasurer's Office in 1997 as a manager in the Securities Clearance Section. Mr. Dowell holds a MBA and BS in Business Administration (Finance) from California State University, Sacramento.

Tony Garcia, Vice President, Wells Fargo Institutional Securities, LLC - Mr. Garcia represents Wells Fargo Institutional Securities brokerage & sales in their San Francisco Office and has 25 years of capital market experience. During his career, Mr. Garcia has focused on fixed-income sales for public fund and corporate clients. Mr. Garcia is registered with the National Association of Securities Dealers (NASD) as a general securities representative. He received his bachelor's degree in business administration in finance from the University of Texas in Austin and completed his master's degree in business administration in 1990 from National University. In 1998, Mr. Garcia received his Chartered Financial Analyst (CFA) designation.

Ray Johnson, Fixed Income Applications Specialist, Bloomberg LP - Mr. Johnson is a Senior Bloomberg representative providing training for West Coast clients on advanced fixed-income analytics including swap analysis, yield curve analysis, risk analytics, and portfolio management. From 1983 to 1987 Mr. Johnson served as a Senior Credit Analyst for Citicorp Investment Bank and from 1987 to 1998, as a Senior Institution Salesman for Bank of America Securities. He has been with Bloomberg LP since 1998. Mr. Johnson received his BA of Economics from the University of California, Santa Barbara and his MBA in Finance from the University of San Francisco.

Joe Yew, Treasury Manager, City of Oakland - Mr. Yew has served as Treasury Manager for the City of Oakland since 1999. In this capacity, he is responsible for municipal debt issuance, cash management, and investment and administration of the City's public funds totaling \$600 million. Previously, Mr. Yew served as Assistant Treasurer with the California State Treasurer's Office, and as Executive Director of the California Debt Limit Allocation Committee from 1995 to 1999. He also worked as an investment banker at Stone & Youngberg from 1992 to 1994. He earned a bachelor of arts in economics from the University of California at Irvine in 1988 and a master of industrial administration (MBA) from Carnegie Mellon University in 1992.

Victor E. Ume-Ukeje, Managing Director, U.S. Bancorp Piper Jaffray, Inc. - Mr. Ume-Ukeje has been with U.S. Bancorp Piper Jaffray Inc. since 1999, where some of his clients include: the Los Angeles Department of Water, the Los Angeles County Sanitation District, the City and County of San Francisco, the City of Walnut Creek, the City of San Bernardino, and Alameda, Inyo, and Riverside Counties. Prior to coming to U.S. Bancorp Piper Jaffray, Mr. Ume-Ukeje served as Vice President for Union Bank of California, Senior Vice President for Pacific Securities, Inc., and Vice President for Dean Witter Reynolds, & Inc. Mr. Ume-Ukeje received his BS in Accounting and Finance from the University of San Francisco, his MBA in Finance and Banking from the University of San Francisco.